



# News

## RETIREMENT SYSTEM

KNOXVILLE, TENNESSEE

January 1969

### 1968 HAPPENINGS

January--The first cost-of-living increase of 2.80 percent, based on the rise in the Consumer Price Index, was included in January checks of eligible retirees and beneficiaries; this month the increase will be 3.20 percent.

May--Pension rates were increased for members retiring after April 30, 1968, at all ages below 65. The rate of 1.3 percent of average salary per year of service, which had been applicable only upon retirement at age 65, now applies at age 60 and over. The rates at ages below 60 were increased on a graduated basis.

June--Wives or husbands of deceased TL employees or retirees are now permitted to continue insurance in the Provident Plan for Retired Employees if they are under 65 and receive a monthly benefit from the TVA or CS Retirement System.

July--Retirements processed in a single month reached an all-time high of 101. \* \* \* Age ceased to be a factor in continuing coverage under the SP Blue Cross insurance plan. After June, anyone under 65 retiring with a monthly benefit from the TVA or CS Retirement System can continue insurance coverage.

September--The variable annuity unit value exceeded \$1.599 for the first time on September 30 when it reached \$1.603; at the end of November it was \$1.678. More than half of active members are now in the Variable Annuity Plan; 202 retirees or beneficiaries in December received larger checks because of their participation in the plan.

December--At the end of December, 2,670 members had shares in the TAKE STOCK Plan--1,923 in Fidelity Trend, 49 in Puritan, and 698 in both funds. If you had put \$5 a payday in each fund over the 27-month period you would have saved \$590. The \$295 you put in Fidelity Trend would have had a value of \$330.87 at the December 31 bid price of \$31.17--an increase over the 27-month period of 12.2 percent. The \$295 you put in Puritan would have had a value of \$359.05 at the December 31 bid price of \$12.43--an increase over the 27-month period of 21.7 percent.

### Comparison of Fixed and Variable Funds as of 12/31/68

(If \$100 a month had gone into both funds  
starting in the months shown.)

#### Variable Annuity Unit Value on Dec 31

'68 \$1.582	'63 \$1.122
'67 1.539	'62 .974
'66 1.278	'61 1.183
'65 1.381	'60 1.018
'64 1.217	'59 1.076

Starting date	No. of months	Dollars put in	\$ value and average % of growth per year			
			Fixed fund		Variable fund	
Jan '65	48	\$ 4,800	\$ 5,189	4%	\$ 5,963	11.2%
Jan '62	84	8,400	9,652	4	12,590	11.6
Jan '59	120	12,000	14,671	4	20,116	10.1